

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE, KARACHI

No. Misc/09/2011-II

Dated 29-11-2011

RULING U/S 25A NO. 403

Note:

- i) The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.
- ii) Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within thirty(30) days from the date of determination of customs value under this ruling.

The Collectors of Customs, Model Customs Collectorates (Appraisement/ PaCCS/ Port Qasim/ Preventive), Karachi/ Lahore/ Sambrial (Sialkot) / Faisalabad/ Multan/ Islamabad/ Hyderabad/ Quetta/ Peshawar.

SUBJECT: DETERMINATION OF CUSTOMS VALUE OF DIGITAL PRINTING INKJET INKS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

On a representation against under invoicing in the importation of Digital Printing Inkjet Inks, proceedings were initiated to determine the customs values under section 25A of the Customs Act, 1969.

2. Accordingly, meetings were held on 21-05-2011, 27-6-2011, 23-07-2011, 25-08-2011, 03-10-2011, 28-10-2011 & 23-11-2011, which were attended by the representatives of importers and other stakeholders. During the meeting held with stakeholders, emphasis was made by local manufacturers upon international prices of Digital Printing Inkjet Inks, as quoted in the international market and it was suggested that as per price prevailing in China, a minimum price of US\$5.00/kg may be considered for valuation of imported goods. A local manufacturer had made consistent representations to consider customs values in the range of US\$ 4.50/kg to US\$12.00/kg from China.

3. The import data of the instant goods namely Digital Printing Inkjet Inks, from various sources was analyzed within the meaning of section 25(5) & (6) of the Customs Act, 1969 and it was observed that the declared/assessed values of Digital Printing Inkjet Inks were inconsistent with the prices prevailing in the international market as the declared values of imported solvent inkjet inks were as low as US\$0.45/kg. However, the import prices of UV Digital Ink was found around US\$16.80/Kg, from China and US\$28.70/kg from Japan. Market enquiry was also conducted to verify the values, which were found to prevail in the range of Rs 600 - 650/kg, and were thus taken up for comparison in terms of Deductive Method of Valuation, as envisaged under section 25(7) of the Customs Act, 1969. As regards the application of valuation method under section 25(8) ibid, since the details of conversion cost of goods produced in the countries of export were not available, this provision was found in-applicable. Based upon these findings, particularly keeping in view the submission made by stakeholders, customs values have been determined under section 25. (7) read with sub section (9) of section 25 of the Customs Act, 1969, as under:



| S.No | HS CODE | Description of goods | Origin | Determined value |
|------|------------------------|---|-----------------------------------|------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | 3215.1190 3215.9090 | Digital Printing Inkjet Inks Solvent based IJI for Xaar & Spectra Seiko & Konica-Minolta Printer Heads | China, Taiwan, UAE | US\$4.00/kg |
| | | | Japan, Korea, South Africa | US\$6.72/kg |
| | | | USA, Europe & all other origin | US\$10.00/kg |
| 2 | | Digital Printing Inkjet Inks Solvent based IJI for other Printer Heads | China, Taiwan, UAE | US\$4.60/kg |
| | | | Japan, Korea, South Africa | US\$9.20/kg |
| | | | USA, Europe & all other origin | US\$13.80/kg |
| 3 | | Digital Printing Inkjet Inks Eco Solvent for all type of Printer Heads | China, Taiwan, UAE | US\$7.90/kg |
| | | | Japan, Korea, South Africa | US\$15.80/kg |
| | | | USA, Europe & all other origin | US\$23.70/kg |
| 4 | | Digital Printing Inkjet Inks UV Inks for all type of Printer Heads | China, Taiwan, UAE | US\$16.36/kg |
| | | | Japan, Korea, South Africa | US\$32.72/kg |
| | | | USA, Europe & all other origin | US\$49.00/kg |

4. Accordingly, these values are hereby determined under Section-25A of the Customs Act, 1969. All the Customs Clearance Collectorates are advised to finalize assessment of subject goods on the values mentioned above. However, if the invoice value is higher, then such higher value shall be adopted for assessment purpose, in terms of Section 25 of the Customs Act, 1969.

Muhammad Yahur
(MUHAMMAD YAHUR)
DIRECTOR

Copy for information to:-

1. S.A. to Chairman, Federal Board of Revenue, Islamabad.
2. Member (Customs), Federal Board of Revenue, Islamabad.
3. Chief Collectors of Customs (North/South), Lahore/Karachi.
4. The Director General of Intelligence Investigation, Islamabad.
5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Islamabad.
7. The Directors of Intelligence Investigation, Karachi/ Lahore/ Islamabad.
8. Commissioner, IP Division, RTO-1, Coordinator, WeBOC RMS Development Team, Kamal Ata Turk Road, Income tax Building, Karachi.
9. The Deputy Director (Hqrs.), Directorate General of Customs Valuation, Karachi, for uploading in OneCustoms & PaCCS database on the date of issue of this ruling.
10. Federation of Pakistan, Chambers of Commerce & Industry (FPCC&I), Karachi.
11. Karachi Chamber of Commerce & Industry (KCC&I), Karachi.
12. Karachi Customs Agents Group (KCAG), Bohri Road, Karachi.
13. Guard File.